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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Peacekeeping Force in Cyprus

Budget performance for the period from 1 July 2010 to 30 June 2011 and proposed budget for the period from 1 July 2012 to 30 June 2013 of the United Nations Peacekeeping Force in Cyprus

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2010/11	$56,325,700
Expenditure for 2010/11	$55,744,400
Unencumbered balance for 2010/11	$581,300
Appropriation for 2011/12	$56,512,000
Projected expenditure for 2011/12[a]	$56,441,000
Estimated underexpenditure for 2011/12[a]	$71,000
Proposal submitted by the Secretary-General for 2012/13	$54,215,500
Recommendation of the Advisory Committee for 2012/13	$54,192,700

[a] Estimates as at 31 January 2012 (see annex).

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I. Introduction

1. **The recommendation of the Advisory Committee on Administrative and Budgetary Questions contained in paragraph 24 below would entail a reduction of $22,800 to the proposed budget for the United Nations Peacekeeping Force in Cyprus (UNFICYP) for the period from 1 July 2012 to 30 June 2013.**

2. The report of the Advisory Committee on cross-cutting issues related to peacekeeping operations is contained in document A/66/718. In the present report, the Committee deals with resources and other items that relate specifically to UNFICYP.

3. In considering the proposals made by the Secretary-General in his report on the budget for UNFICYP for the period from 1 July 2012 to 30 June 2013 (A/66/686), the Advisory Committee has taken into account the recommendations of the Board of Auditors on the United Nations peacekeeping operations for the period from 1 July 2010 to 30 June 2011 (see A/66/5 (Vol. II), chap. II). In addition, the report of the Advisory Committee on the Board's report on the United Nations peacekeeping operations is contained in document A/66/719. **The Advisory Committee continues to stress the value of the findings of the Board of Auditors and reiterates the need for the implementation of its recommendations within the time frames specified by the Secretary-General.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNFICYP are listed at the end of the present report.

II. Budget performance for the period from 1 July 2010 to 30 June 2011

5. By its resolution 64/274, the General Assembly appropriated an amount of $56,325,700 gross ($53,770,000 net) for the maintenance of UNFICYP for the period from 1 July 2010 to 30 June 2011. That amount included voluntary contributions from the Government of Cyprus in the amount of $18,954,592, equivalent to one third of the net appropriation, and $6.5 million from the Government of Greece. An amount of $34,304,608 gross ($31,466,108 net) has been assessed on Member States. Expenditure for the period totalled $55,744,400 gross ($53,166,600 net). The resulting unencumbered balance of $581,300 gross ($603,400 net) represents, in gross terms, 1 per cent of the total appropriation. A detailed analysis of variances is provided in section IV of the performance report (A/66/568).

6. Underexpenditure was incurred, inter alia, under:

(a) Military contingents ($725,000, or 3.4 per cent), owing primarily to lower actual costs for commercial and charter flights for the rotation of contingent personnel, lower than budgeted unit costs for rations and reduced requirements for mission subsistence allowance resulting from fluctuations in exchange rates. The variance was offset in part by additional requirements for standard troop cost reimbursements as a result of the lower than budgeted vacancy rate;

(b) United Nations police ($466,400, or 14.7 per cent), owing primarily to reduced requirements for mission subsistence allowance and for the rotation travel of police officers as a result of the higher than budgeted vacancy rate;

(c) Official travel ($79,100, or 18.6 per cent), owing to the cancellation of some planned non-training travel as a cost-saving measure;

(d) Air transportation ($103,900, or 5.7 per cent), owing primarily to reduced requirements for rental and operation of three helicopters because of the unavailability of one Bell 212 helicopter from March 2011 as a result of technical problems;

(e) Communications ($90,300, or 10.7 per cent), owing primarily to the delay in the establishment of a leased line to the United Nations Support Base in Valencia, Spain. The variance was offset in part by additional requirements for the replacement of UHF equipment.

7. The above-mentioned underexpenditure was offset in part by additional requirements under:

(a) Facilities and infrastructure ($318,700, or 3.9 per cent), owing primarily to higher than budgeted electricity costs, higher than budgeted costs for the new contract for consolidated camp services (see para. 33 below) and higher than budgeted consumption, as well as unit cost, of kerosene. The variance was offset in part by lower requirements for alteration and renovation services owing to the Force's reduced share of the renovation costs of sites in the United Nations Protected Area;

(b) Ground transportation ($871,900, or 26.1 per cent), owing to higher costs for the rental of vehicles and higher unit costs for petrol and diesel fuel. The variance was offset in part by reduced requirements for the acquisition of vehicles and for maintenance services.

8. The Advisory Committee notes from the results-based-budgeting frameworks for the performance period that under component 2: military, only 55 of the planned 160 demining assistance troop days were required owing to the termination of the operations of the United Nations Mine Action Centre in Cyprus in February 2011 (see planned outputs under expected accomplishment 2.1: maintenance of the ceasefire and the integrity of the United Nations buffer zone). Upon enquiry, the Committee was informed that the Mine Action Centre had suspended its activities owing to the lack of access to the four remaining mined areas in the buffer zone. Nevertheless, UNFICYP was continuing to monitor the 11,472 metres of minefield perimeter fencing remaining within the buffer zone on a daily basis to prevent possible intrusion and was working on containing and minimizing the threat posed by the remaining minefields. The Committee was further informed that in line with the provisions of relevant Security Council resolutions (see, inter alia, resolution 2026 (2011)), UNFICYP continued to raise the issue of access to the remaining minefields at the political and military levels. **The Advisory Committee reiterates its earlier observation regarding the importance of UNFICYP support for the implementation of such confidence-building measures as demining and encourages the Force to pursue its efforts in this regard** (see A/65/743/Add.2, para. 34).

9. The Advisory Committee also notes that under component 4: support, the planned output relating to the training of voluntary confidential HIV/AIDS counselling and testing counsellors within the Force and the establishment of counselling and testing facilities for all mission personnel was not completed because of the lack of trained counsellors (see planned outputs under expected accomplishment 4.1: effective and efficient logistical, administrative and security support to the mission). The Committee recalls that the same output was not completed during the 2009/10 financial period for the same reason (see A/65/625). Upon enquiry, the Committee was informed that in order to ensure that the necessary HIV/AIDS counselling and testing services were provided during the 2012/13 period, UNFICYP had requested that troop contributors provide medical officers with a background in counselling. In addition, the Force planned to procure laboratory equipment for the purpose of testing. **The Advisory Committee looks forward to receiving information on the outcome of those measures in the performance report for the 2012/13 period.**

10. The comments of the Advisory Committee on the information presented in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2012 to 30 June 2013.

III. Financial position and information on performance for the current period

11. The Advisory Committee was informed that, as at 31 January 2012, a total of $450,418,000 had been assessed on Member States in respect of UNFICYP since its inception. Payments received as at the same date amounted to $417,798,000, leaving an outstanding balance of $32,621,000. As at 13 February 2012, taking into account a three-month operating reserve of $10,847,000 (excluding reimbursements for troop-contributing countries), and including $1 million borrowed from closed peacekeeping operations, the Force had a cash shortfall of $6,947,000. **The Advisory Committee continues to be concerned about the persistent precariousness of the financial situation of the Force and its potential impact on the timely reimbursement of troop-contributing countries** (see A/65/743/Add.2, para. 11). **The Committee recalls the repeated calls by the General Assembly for all Member States to fulfil their financial obligations as set out in the Charter of the United Nations on time, in full and without conditions** (see General Assembly resolution 65/293[1]).

12. The Advisory Committee was also informed that, as at 31 December 2011, $8,681,000 was owed for troops and $1,951,000 was owed for contingent-owned equipment. With regard to death and disability compensation, as at the same date, $1,640,000 had been paid in respect of 285 claims since the inception of the Force. One claim was pending. **The Advisory Committee expects that the outstanding claim will be settled expeditiously.**

13. The Advisory Committee was informed that as at 31 January 2012, the human resources incumbency for UNFICYP for the period from 1 July 2011 to 30 June 2012 was as follows:

[1] See also General Assembly resolutions 54/249, 56/253, 62/236 and 64/243.

Category of personnel	*Authorized*[a]	*Encumbered*	*Vacancy rate (percentage)*
Military contingent personnel	860	857	0.3
United Nations police	69	69	—
International staff	39	37	5.1
National staff	113	109	3.5

[a] Represents the highest authorized strength for the period.

14. The Advisory Committee was provided with a table showing current and projected expenditure for the period from 1 July 2011 to 30 June 2012 (see annex). Expenditure for the period as at 31 January 2012 amounted to $36,529,000 gross. At the end of the current financial period, estimated total expenditure would amount to $56,441,000 against the appropriation of $56,512,000, leaving a projected unencumbered balance of $71,000.

IV. Proposed budget for the period from 1 July 2012 to 30 June 2013

A. Mandate and planned results

15. The mandate of UNFICYP was established by the Security Council in its resolution 186 (1964). The most recent extension of the mandate, to 19 July 2012, was authorized by the Council in its resolution 2026 (2011).

16. The planning assumptions and mission support initiatives for 2012/13 are described in paragraphs 6 to 10 of the Secretary-General's report on the proposed budget (A/66/686). As indicated in paragraph 6 of that report, during the budget period UNFICYP will continue to focus on creating conditions conducive to the efforts to achieve a comprehensive settlement of the Cyprus problem and will assist the Special Representative of the Secretary-General/Chief of Mission, as the principal adviser and deputy to the Special Adviser of the Secretary-General on Cyprus, in her efforts to support the full-fledged negotiations between the Greek Cypriot and Turkish Cypriot leaders. The Force will also continue to designate substantive staff and military and police personnel to facilitate and support the good offices, as required. During its consideration of the Secretary-General's proposals, the Advisory Committee was informed that as a result of the Force's efforts and the good cooperation of the opposing forces, during the period under review the military situation in the buffer zone had remained peaceful, with no major violations of the ceasefire arrangement. The doubling, since 2010, of applications for use of the buffer zone for such normal activities as farming, building or commercial ventures was a sign of the Force's contribution to stability.

17. In paragraph 8 of the budget document, the Secretary-General proposes that in order to streamline and optimize support to the military, police and civilian components of the Force, the Mission Support Division be restructured with a view to improving service delivery and seeking synergies. It is proposed that the General Services Section be disbanded and that the related administrative and logistical functions be transferred to the Personnel Section, to Integrated Support Services and

to Information and Communications Technology Services. In addition, a Property Management Unit would be established to improve the management of expendable and non-expendable assets. In the Advisory Committee's view, the latter proposal should contribute to addressing the concerns expressed by the General Assembly in paragraphs 75 and 76 of its resolution 65/289. The Committee's comments and recommendations on the related staffing proposals are contained in paragraphs 27 and 28 below.

B. Resource requirements

18. The proposed budget for UNFICYP for the period from 1 July 2012 to 30 June 2013, which provides for the deployment of 860 military contingent personnel, 69 United Nations police personnel, 38 international staff and 112 national staff, amounts to $54,215,500 gross, representing a decrease of $2,296,500, or 4.1 per cent in gross terms compared to the appropriation of $56,512,000 for 2011/12. The Advisory Committee notes that if compared to the projected expenditure of $56,441,000 for 2011/12 (see para. 14 above), the proposed resource reduction for 2012/13 would amount to $2,225,500, or 3.9 per cent. The proposed reduction mainly reflects reduced requirements for military contingents, United Nations police and international and national staff, offset in part by increased requirements for facilities and infrastructure. Detailed information on the financial resources requested and an analysis of variances are provided in sections II and III of the Secretary-General's report on the proposed budget (A/66/686).

19. The Advisory Committee notes from paragraph 27 of the Secretary-General's report that the proposed budget for UNFICYP for 2012/13 includes estimated non-budgeted contributions of $348,900. **The Advisory Committee notes the continued voluntary contributions with appreciation.** As indicated by the Secretary-General, that amount, included under the provisions of the status-of-forces agreement, is inclusive of the market value, as estimated by UNFICYP, of the cost of United Nations observation posts and office and accommodation facilities provided by the Government of Cyprus to the Force at no cost for military contingents and United Nations police, including the UNFICYP headquarters complex. The Advisory Committee recalls that in the proposed budget for the 2011/12 period, non-budgeted voluntary contributions were estimated at $303,700 (A/65/706, para. 23). Upon enquiry, the Committee was informed that the variance was attributable to the Government-imposed annual 7 per cent increase in the market value of buildings in Cyprus. The Committee was further informed that in accordance with the provisions of the United Nations System Accounting Standards, the market value of facilities was used in the estimation of non-budgetary voluntary contributions in all peacekeeping missions.

1. Military and police personnel

Category	*Approved 2011/12*	*Proposed 2012/13*[a]	*Variance*
Military contingents	860	860	—
United Nations police	69	69	—

[a] Vacancy factors of 1 and 4 per cent have been applied to the cost estimates for military personnel and United Nations police, respectively.

20. The proposed budget for military and police personnel for the period from 1 July 2012 to 30 June 2013 amounts to $22,859,200, a decrease of $1,777,600, or 7.2 per cent, compared to the apportionment of $24,636,800 for 2011/12. The decrease is due mainly to the discontinuation of the provision for supplemental payments to troop-contributing countries, which was approved for the 2011/12 period only, lower troop rotation costs, rations costs and mission subsistence allowance costs, and the application of a 4 per cent delayed deployment factor for United Nations police (as compared to the assumption of full deployment during the 2011/12 period).

2. Civilian personnel

Category	*Approved 2011/12*	*Proposed 2012/13*	*Variance*
International staff	39	38	(1)
National staff	113	112	(1)

21. The proposed budget for civilian personnel for the period from 1 July 2012 to 30 June 2013 amounts to $14,247,200, a decrease of $539,100, or 3.6 per cent, compared to the apportionment for 2011/12. The vacancy factors applied to the cost estimates for civilian personnel are the same as those applied during the 2011/12 period, namely 5 per cent for international staff and 2 per cent for national staff.

22. The reduced requirements under international staff ($235,500 or 3.6 per cent) are attributable primarily to the decrease in staff assessment based on the January 2012 salary scale, the revision, based on actual expenditure for the period from July to December 2011, of the estimate for common staff costs to 60 per cent of total net salaries, as compared to 65 per cent for the 2011/12 period, and the proposed abolition of one Field Service post (see para. 28 below). Under national staff, the decrease of $303,600, or 3.8 per cent, is due mainly to the application of the United Nations exchange rate of €0.774 to the United States dollar, as at 31 December 2011, as compared to the rate of €0.761 to the dollar applied in the 2011/12 budget, and to the proposed abolition of one General Service post (see para. 28 below).

Recommendations on posts

Reclassification

23. Under component 2: military, the Secretary-General is proposing the upward reclassification of the post of Force Commander from the D-1 to the D-2 level. He indicates that the functions of the post include acting as Head of Mission in the absence of the Special Representative of the Secretary-General, liaising regularly with the opposing forces, and facilitating and mediating military and political discussions between the two sides. He further states that with the resumption of high-level discussions between the two sides, including at the highest military level, the upgrade to the D-2 level is being requested in order to ensure that the level of the United Nations military representation is commensurate with that of the heads of the opposing forces. According to the Secretary-General, the upward reclassification would allow for the recruitment of a senior officer of a higher military rank than the rank equivalent to the current D-1 post and would align the level of the Force Commander with similar positions in other comparable peacekeeping missions (A/66/686, para. 18). The Committee recalls that in his report on the 2006/07

proposed budget (A/60/592), the Secretary-General had proposed that the post of Force Commander be downgraded from the D-2 to the D-1 level in view of the reduction of the Force strength from 1,230 to 860 military personnel. This proposal was welcomed by the Advisory Committee (see A/60/785, para. 25) and subsequently endorsed by the General Assembly in its resolution 60/270. Upon enquiry, the Committee was informed that the situation in the mission area had remained calm and the levels of tasks entrusted to the Force, that is, securing and managing the 180-km de facto ceasefire lines and the buffer zone, remained unchanged.

24. **The Advisory Committee is not convinced by the justification provided by the Secretary-General for the proposed reclassification, since the situation in the mission area and the levels of functions performed by the Force have not changed since the downgrade of the Force Commander post from the D-2 to the D-1 level was endorsed by the General Assembly. The Committee therefore recommends against the proposed reclassification at this time. In the interest of ensuring consistency in the application of post levels, the Committee also recommends that in the context of his next overview report, the Secretary-General provide a detailed explanation of the methodology used to determine the level of Force Commander posts in all peacekeeping missions.**

Reassignment

25. The Secretary-General is proposing to reassign one national General Service post of Contracts Management Assistant in the Office of the Chief of Mission Support (component 4) to the Civil Affairs Section (component 1) to function as a Civil Affairs Assistant. The Secretary-General indicates that the Section is currently operating at full capacity and requires an additional post to respond to the increased dialogue between the two sides. The incumbent of the post would provide assistance to the civil affairs teams in three sectors and would work directly with the local level district administration and village councils to improve administration of the buffer zone (see A/66/686, para. 16). **The Advisory Committee has no objection to the Secretary-General's proposal for the reassignment of one national General Service post.**

Redeployments

26. In paragraph 14 of his proposed budget, the Secretary-General proposes the redeployment of one post (P-3) of Administrative Officer from the Office of the Chief of Mission Support (component 4) to the Office of the Special Representative of the Secretary-General/Chief of Mission (executive direction and management), noting that the cross-cutting functions relating to conduct and discipline, best practices, gender and ethics matters, as well as to the implementation of the recommendations and observations of the legislative and oversight bodies, that have been performed by the incumbent of post fall within the purview of the Special Representative and should therefore be located in her Office. **The Advisory Committee has no objection to the Secretary-General's proposal for the redeployment of one post (P-3) of Administrative Officer.**

27. Under component 4, in the context of the restructuring of the Mission Support Division (see para. 17 above), the Secretary-General is proposing the following 15 redeployments:

(a) One Field Service post of Administrative Officer from Integrated Support Services to the Office of the Chief of Mission Support (see A/66/686, para. 25);

(b) One Field Service post of Archive Assistant and one national General Service post of Mail Assistant from the General Services Section to Information and Communications Technology Services in order to streamline the registry functions of the Force (see A/66/686, para. 26);

(c) Six national General Service posts of Property Management Assistant from the General Services Section to a new Property Management Unit in order to improve the management of expendable and non-expendable assets (see A/66/686, para. 22);

(d) One national General Service post of Administrative Assistant from the General Services Section and one national General Service post of Finance Assistant from the Finance Section to the Budget Unit (see A/66/686, para. 22);

(e) Two national General Service posts of Travel Assistant from the General Services Section to the Personnel Section (see A/66/686, para. 24);

(f) Two national General Service posts of Movement Control Assistant from the General Services Section to Integrated Support Services in order to enhance the effectiveness of logistics support services (see A/66/686, para. 25).

The Advisory Committee has no objection to the redeployments proposed by the Secretary-General.

Abolitions

28. Under component 4, the Secretary-General is proposing to abolish one Field Service post of Chief of the General Services Section and one national General Service post of Senior Property Management Assistant owing to the rationalization of the related functions as part of the above-mentioned restructuring of the Mission Support Division (see A/66/686, para. 21). **The Advisory Committee has no objection to the proposed abolition of one Field Service and one national General Service post.**

3. Operational costs

(United States dollars)

Apportionment 2011/12	*Proposed 2012/13*	*Variance*
17 088 900	17 109 100	20 200

29. Operational costs for the period from 1 July 2012 to 30 June 2013 are estimated at $17,109,100, reflecting an increase of $20,200, or 0.1 per cent, over the appropriation for 2011/12.

Official travel

30. Estimated requirements for official travel for 2012/13 total $400,400, an increase of $11,700 (3 per cent) over the apportionment for 2011/12. The Advisory Committee notes from the supplementary information provided to it, however, that while the overall requirements for travel have increased, the requirements for

official travel for training have decreased, from $143,000 during the performance period to an estimated $137,000 during the budget period. Upon enquiry, the Committee was informed that the projected decrease was attributable to reduced requirements for daily subsistence allowance and air fares as a result of the decision to make greater use of local and regional facilities, namely the United Nations Logistics Base at Brindisi, Italy, the logistics hub in Entebbe, Uganda, and the regional capacity at the United Nations Interim Force in Lebanon, rather than sending staff to Headquarters in New York for training. The Committee was further informed that UNFICYP made every effort to minimize travel for training by prioritizing mandatory courses and reviewing additional requests in light of operational requirements, as well as through the continued implementation of its train-the-trainer policy, whereby staff members having participated in certain training courses shared their knowledge with other staff members upon their return to Cyprus. **The Advisory Committee welcomes the efforts made by UNFICYP to contain training-related travel expenditure. The Committee has commented further on the issue of training in its cross-cutting report (A/66/718).**

Facilities and infrastructure

31. Estimated requirements for facilities and infrastructure for 2012/13 total $9,044,400, an increase of $427,500 (5 per cent) over the apportionment for 2011/12. The increase is attributable mainly to additional requirements for (a) local electricity costs and (b) maintenance services in accordance with the terms of the new consolidated camp services contract.

32. With regard to electricity costs, the Secretary-General indicates in paragraph 9 of the budget document that UNFICYP has experienced significant increases in the cost of electricity as a result of the destruction of the island's main power station in July 2011. In that connection, the Advisory Committee notes from the supplementary information provided to it that for the 2011/12 period, the Force is projecting overexpenditure of $376,000 under facilities and infrastructure owing in part to increases in local electricity costs. For the 2012/13 period, resource requirements for utilities (under the facilities and infrastructure budget line) are projected to increase by $209,600, or 11.4 per cent, for the same reason.

33. As to maintenance services, the Advisory Committee notes from the supplementary information provided to it that the related estimated requirements have increased by $327,300, or 7.5 per cent, as compared to the requirements for the preceding period as a result of the entry into force, effective March 2011, of the new consolidated camp services contract. Upon enquiry, the Committee was informed that in accordance with a recommendation made in 2008 by the Office of Internal Oversight Services, the Mission Support Division had reviewed its supply and transport services contracts with a view to reducing the number of contractors and obtaining economies of scale. Following a bidding exercise, it had become apparent that the costs of a consolidated contract would be significantly higher than those of the existing individual contracts. Accordingly, the Headquarters Committee on Contracts had recommended that better prices be negotiated. While it had been possible to achieve some price reductions, the new contract remained more expensive than the previous arrangements for the following reasons: (a) expanded scope of work, including qualitative assurance management, risk management and international standards, as well as additional service requirements; (b) updated prices: the previous individual contracts had been based on 2005 pricing, which was

valid until their expiration in 2009; and (c) inflation. **The Advisory Committee trusts that any future consolidation will only be pursued when it is cost-effective and will result in economies of scale without a negative impact on the quality of services provided.**

34. With regard to construction activities, the Advisory Committee recalls its previous observations regarding the renovations at the Ledra Palace Hotel (sector 2 headquarters) and the San Martin Camp (sector 1) (see A/64/660/Add.5, paras. 31-32, and A/65/743/Add.2, para. 31), and notes from section V.B of the budget document that both projects, which are being undertaken by the host Government under the status-of-forces agreement, are ongoing. The Secretary-General indicates that 90 per cent of the accommodation facilities at the San Martin Camp have been renovated and that the remainder of the work is expected to be completed by April 2012. At the Ledra Palace Hotel, however, serious delays have occurred, but additional resources have not been made available by the host Government to make up for lost time. As a result, the project is now expected to be completed by the end of 2012. **The Advisory Committee is concerned about the persistent delays affecting the renovation works at the San Martin Camp and the Ledra Palace Hotel, and trusts that both projects will be completed within the revised time frames specified by the Secretary-General in his report.**

Ground transportation

35. Estimated requirements for ground transportation for the 2012/13 period amount to $3,365,300, a decrease of $217,900 (6.1 per cent) as compared to the apportionment for the 2011/12 period. The decrease is attributable primarily to lower rental costs for vehicles, offset in part by an increase in the cost of diesel fuel to $0.90 per litre in the South and $1.50 per litre in the North, as compared with $0.70 in the South and $1.12 in the North during the preceding period. Upon enquiry as to the reason for the disparity in fuel prices between the South and North of the island, the Advisory Committee was informed that the South and North of the island were effectively run as two separate administrations with different market conditions and supply chains for distribution of fuel and other commodities. That situation gave rise to different costing and pricing structures for fuel. In the South, UNFICYP was exempt from value added tax and excise duties, while in the North, it paid the full retail price.

Air transportation

36. Estimated requirements for air transportation for the 2012/13 period amount to $2.025 million, an increase of $64,900 (3.3 per cent) over the apportionment for the 2011/12 period.

37. With specific reference to aviation fuel, the Advisory Committee notes from the performance report for the 2010/11 period that only 167,411 litres of the planned provision of 240,000 litres were required. It is indicated in the report that the variance is due to a lower than planned number of hours flown (1,048 rather than 1,320). Upon enquiry, the Committee was provided with information on actual average fuel usage per hour for both of the Force's helicopters, which is presented in the table below:

	Flight hours	*Actual fuel usage (l/hour)*	*Total fuel usage*
Bell 212	208.4	313	65 229.2
H-500	839.5	86	72 197
Total			**137 426.2**

On the basis of this information, the total fuel usage amounted to over 137,426 litres during the period. The Advisory Committee was informed, however, that the additional 30,000 litres reflected in the performance report represented fuel used for training and maintenance flights (12,392 litres), consumed during product testing (13,272 litres) and provided on a cost-recovery basis to State-owned aircraft (2,173 litres), as well as fuel stocks on hand at the beginning and end of the financial period. The Committee addresses the issue of the aviation fuel in more detail in its cross-cutting report on peacekeeping operations (A/66/718).

4. Other matters

Efficiency gains

38. The Secretary-General states in his report that the energy and water conservation projects that were introduced in two camps in 2011/12 (see A/65/743/Add.2, para. 21) and will be extended to six additional locations in 2012/13 are expected to mitigate the effects of the above-mentioned increases in electricity costs. The Advisory Committee notes from the table in paragraph 28 of the budget document that efficiency gains amounting to $64,100 are anticipated as a result of those projects, which are designed to reduce power and water consumption by 12.5 per cent. Upon enquiry, the Committee was informed that the specific steps taken to reduce consumption included the installation of solar panels, low-flow showerheads and automatic shut-off taps, as well as improved building insulation. **While noting that the efficiency gains anticipated as a result of the energy and water conservation projects will not entirely defray the additional costs for electricity, the Advisory Committee nevertheless commends UNFICYP for its efforts to reduce energy consumption.**

V. Conclusion

39. The actions to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 2010 to 30 June 2011 are set out in paragraph 32 of the performance report (A/66/568). **The Advisory Committee recommends that the unencumbered balance of $581,300, as well as other income/adjustments in the amount of $1,224,000, be credited to Member States.**

40. The actions to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 2012 to 30 June 2013 are set out in paragraph 45 of the proposed budget (A/66/686). **The Advisory Committee recommends that should the Security Council decide to continue the mandate of UNFICYP beyond 19 July 2012, the Assembly appropriate an amount of $54,192,700 for the maintenance of the Force for the 12-month period from 1 July 2012 to 30 June 2013, including $23,883,067 to be funded through**

voluntary contributions from the Government of Cyprus ($17,383,067) and from the Government of Greece ($6.5 million).

Documentation

- Budget performance of the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2010 to 30 June 2011 (A/66/568)
- Budget for the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2012 to 30 June 2013 (A/66/686)
- Report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2011 (A/66/5 (Vol. II))
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 of the United Nations Peacekeeping Force in Cyprus (A/65/743/Add.2)
- General Assembly resolution 65/295 on the financing of the United Nations Peacekeeping Force in Cyprus
- Security Council resolution 2026 (2011)

Annex

Current and projected expenditure of the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2011 to 30 June 2012

(Thousands of United States dollars)

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military contingents	21 540	12 553	8 988	8 561	21 114	426	2.0	Reduced requirements resulting from lower rotation costs owing to the continued use of commercial flights in lieu of chartered flights
United Nations police	3 097	2 926	171	(29)	2 897	200	6.5	Reduced requirements resulting from a higher actual vacancy rate of 2 per cent compared to budgeted full deployment, owing to the delayed deployment of United Nations police
Subtotal	**24 637**	**15 479**	**9 158**	**8 532**	**24 011**	**626**	**2.5**	
Civilian personnel								
International staff	6 625	3 765	2 859	2 652	6 418	207	3.1	Reduced requirements resulting from a higher actual vacancy rate (7 per cent compared to the budgeted 5 per cent)
National staff	7 970	4 689	3 281	4 045	8 735	(765)	(9.6)	Additional requirements resulting from the difference between the actual average exchange rate of €0.726 to the dollar compared to the budgeted exchange rate of €0.761 to the dollar
General temporary assistance	192	156	36	36	192	—	—	
Subtotal	**14 786**	**8 610**	**6 176**	**6 734**	**15 344**	**(558)**	**(3.8)**	

	1 July 2011 to 31 January 2012			Projected 1 February to 30 June 2012				
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure 2011/12	Estimated unencumbered balance as at 30 June 2012	Variance (percentage)	
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)÷(1)	Reasons for variance
Operational costs								
Consultants	19	—	19	19	19	—	—	
Official travel	389	115	274	183	298	91	23.4	Reduced requirements resulting from the prioritization of travel requirements and the use of local and regional training centres (United Nations Logistics Base at Brindisi, Italy, and the logistics hub in Entebbe, Uganda)
Facilities and infrastructure	8 617	7 125	1 492	1 868	8 992	(376)	(4.4)	Additional requirements resulting from (a) increases in the cost of camp services based on the new contract effective 1 March 2011, (b) increase in electricity charges owing to the appreciation of the value of the euro against the dollar and (c) increases in electricity charges following the recent destruction of the island's main electrical power station
Ground transportation	3 583	3 317	267	586	3 902	(319)	(8.9)	Additional requirements resulting from the higher actual average cost of petrol in the North at $1.64 per litre against the budgeted $1.25 per litre and in the South at $0.92 per litre against the budgeted $0.70 per litre, owing to the appreciation of the value of the euro against the dollar
Air transportation	1 960	237	1 723	1 276	1 513	447	22.8	Reduced requirements resulting from the non-utilization of the Bell helicopter owing to technical difficulties

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Communications	824	588	236	175	764	60	7.3	Reduced requirements resulting from delays in the establishment of the terrestrial line for connectivity to the United Nations Support Base in Valencia leased line
Information technology	784	635	149	123	758	25	3.2	Reduced requirements resulting from fewer acquisitions of software following the reprioritization of resources to meet more critical requirements
Medical	357	173	185	162	334	23	6.4	Reduced requirements resulting from the reprioritization of resources to meet more critical requirements
Special equipment	22	—	22	5	5	17	77.1	Reduced requirements resulting from the reprioritization of resources to meet more critical requirements
Other supplies, services and equipment	534	252	283	249	501	34	6.3	Reduced requirements resulting from the reprioritization of resources to meet more critical requirements
Subtotal	**17 089**	**12 440**	**4 649**	**4 647**	**17 087**	**2**	—	
Gross requirements	**56 512**	**36 529**	**19 983**	**19 912**	**56 441**	**71**	**0.1**	
Staff assessment income	2 404	954	1 450	1 450	2 404	—	—	
Net requirements	**54 108**	**35 576**	**18 532**	**18 462**	**54 038**	**70**	**0.1**	
Voluntary contributions in kind (budgeted)	1 692	529	1 163	1 163	1 692	—	—	
Total requirements	**58 204**	**37 058**	**21 146**	**21 075**	**58 133**	**71**	—	